

EXHIBIT 35

Shea, John D.

From: Jeff Genereux [jgenereux@alangray.com]
Sent: Monday, March 22, 2004 4:06 PM
To: Shea, John D.
Subject: Dresser

Jack,
Anything from NERA?

Anyway, attached is a quick spreadsheet that I created for the DII / Wagner – Brattle results for tomorrow's 130PM conference call with AIG.

As far as I can tell, the following are relatively true:

1. DII Available Agg is 1.04B, Allocated amount is \$254.7M (20% agg), NPV @ 6% is \$237.2M (18.4%).
2. Wagner Available Agg is 1.04B, Allocated amount is \$160.8M (20% agg), NPV @ 6% is \$143.5M (18.4%).
3. Combined Available Agg is 2.074B, Allocated amount is \$415.5M (20% agg), NPV @ 6% is \$380.7M (18.4%).

Comparative AIG amounts are:

4. Combined Available Agg is 267.5M*, Allocated amount is \$75.3M (28% agg), NPV** @ 6% is \$72.5M (27%).
*There is a difference in limits of \$12.5M (2 AHA and 1 NU policy)

**This is basically a cash deal as \$\$ due now are 99% of ultimate NPV. As such, the NPV % does not really matter in the calculation.

5. AIG available limits that attach @ <100M are \$156M of \$267.5M (or of \$245M if that is correct).

6. At the bottom of the spreadsheet is a line that reads "Payment Stream @ 7% 04/01/04" that depicts AIG's combined (DII+Wagner) allocated yearly NPV@7%. AIG's \$75.3M allocated under the Brattle model has a combined NPV of \$72.54M. Again, this is virtually a cash deal b/c of the heavy Zanich weighting.

I then ran five quick alternative payout streams (ALT STREAM 1 through 5) at the bottom of the spreadsheet that allocates between \$100M and \$135M nominal dollars at various payout rates that all achieve +/- \$73M NPV @ 7%. These numbers can be adjusted easily by either increasing/decreasing the nominal dollars and/or accelerating/decelerating the payout timing. These types of payout streams have generally been acceptable to AIG in other cases. (This is not meant to imply that the amounts are recommended – see below).

7. Overall, it appears that the policies in the coverage are being given discounts that result in the policies paying the following approximate percentages of policy limits:

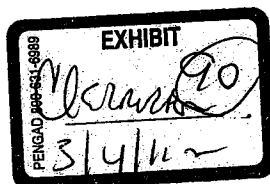
Attach @ 20M-25M:	50%-70%
Attach @ 40M:	38%
Attach @ 50M:	30%
Attach @ 100M:	12.65%
Attach @ 150M:	11.95%

AIG could choose to calculate an increase in their nominal dollars in two ways:

- I. Increase allocation model percentages so that all policies increase nominal participation (i.e., policies attaching at 100M could pay 20% of their limits rather than 12.65%; or,
- II. AIG could choose to allocate substantially more dollars to the policies that attach below \$100M and that have been allocated approximately 39% of their limits under the Brattle model – and then reduce amounts allocated to the >100M policies.

Anyway, I have set up a model that will allow AIG to make either of these choices depending on tomorrow's call.

03/22/2004



Granite State Priv 0010472

CONFIDENTIAL

Page 2 of 2

When I receive the NERA details, I will set up the same type of model.

Let me know if you have any thoughts or suggestions.

Jeff

Jeff Genereux
Alan Gray, Inc.
617-426-6255 Main
617-598-1514 Direct

03/22/2004

Granite State Priv 0010473

CONFIDENTIAL

Granite State Priv.0010475

DRESSER - AIG
SUMMARY OF OIL / WAGNER - AIG BRATTLE \$\$ NPV @ 6% & 7%

TOTAL DOLLARS ALLOCATED:

NOMINAL DOLLARS

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	133,567	111,524	91,180	72,066	59,263	44,607	35,275	28,328	22,892	13,727	254,867,146	(1)
WAGNER: 1,035,625,624	153,224	119,476	91,324	72,443	59,416	44,724	35,428	28,480	22,997	13,832	160,812,761	1
COMBINED: 2,074,502,633	286,791	231,000	182,504	144,509	118,679	89,331	70,703	56,808	45,889	27,559	415,679,907	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	13,769	10,843	8,363	6,328	4,839	3,435	2,535	1,942	1,467	937	237,178,944	0
WAGNER: 1,035,625,624	15,989	11,616	7,314	5,373	3,771	2,656	1,941	1,503	1,167	738	143,480,003	0
COMBINED: 2,074,502,633	29,758	22,459	15,677	11,701	8,610	6,091	4,476	3,445	2,634	1,675	380,658,947	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	13,769	10,843	8,363	6,328	4,839	3,435	2,535	1,942	1,467	937	237,178,944	0
WAGNER: 1,035,625,624	15,989	11,616	7,314	5,373	3,771	2,656	1,941	1,503	1,167	738	143,480,003	0
COMBINED: 2,074,502,633	29,758	22,459	15,677	11,701	8,610	6,091	4,476	3,445	2,634	1,675	380,658,947	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	13,769	10,843	8,363	6,328	4,839	3,435	2,535	1,942	1,467	937	237,178,944	0
WAGNER: 1,035,625,624	15,989	11,616	7,314	5,373	3,771	2,656	1,941	1,503	1,167	738	143,480,003	0
COMBINED: 2,074,502,633	29,758	22,459	15,677	11,701	8,610	6,091	4,476	3,445	2,634	1,675	380,658,947	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	13,769	10,843	8,363	6,328	4,839	3,435	2,535	1,942	1,467	937	237,178,944	0
WAGNER: 1,035,625,624	15,989	11,616	7,314	5,373	3,771	2,656	1,941	1,503	1,167	738	143,480,003	0
COMBINED: 2,074,502,633	29,758	22,459	15,677	11,701	8,610	6,091	4,476	3,445	2,634	1,675	380,658,947	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	13,769	10,843	8,363	6,328	4,839	3,435	2,535	1,942	1,467	937	237,178,944	0
WAGNER: 1,035,625,624	15,989	11,616	7,314	5,373	3,771	2,656	1,941	1,503	1,167	738	143,480,003	0
COMBINED: 2,074,502,633	29,758	22,459	15,677	11,701	8,610	6,091	4,476	3,445	2,634	1,675	380,658,947	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

	06/30/2043	06/30/2044	06/30/2045	06/30/2046	06/30/2047	06/30/2048	06/30/2049	06/30/2050	06/30/2051	06/30/2052	TOTAL	VAR
DI: 1,038,877,009	13,769	10,843	8,363	6,328	4,839	3,435	2,535	1,942	1,467	937	237,178,944	0
WAGNER: 1,035,625,624	15,989	11,616	7,314	5,373	3,771	2,656	1,941	1,503	1,167	738	143,480,003	0
COMBINED: 2,074,502,633	29,758	22,459	15,677	11,701	8,610	6,091	4,476	3,445	2,634	1,675	380,658,947	0
NPV AT 6%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0
NPV AT 7%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	100.00%	0

Granite State Priv 0010476